DETAILED ACTION

Response to Arguments

1.   Applicant's arguments filed 1/6/09 have been fully considered but they are not persuasive.

2.   The applicant agreed to an examiner's amendment to place the claims in allowable form.

3.   Claims 2,20,22,26,34,41,42,48-50 are cancelled.

Note: Although the applicant had cancelled claim 42, the claim was still recited, as it was written in the previous office action, in the claim listing. Therefore it is included in the examiner's amendment indicated that it should be cancelled.

EXAMINER'S AMENDMENT

4.   An examiner's amendment to the record appears below. Should the changes and/or additions be unacceptable to applicant, an amendment may be filed as provided by 37 CFR 1.312. To ensure consideration of such an amendment, it MUST be submitted no later than the payment of the issue fee.

    Authorization for this examiner's amendment was given in a telephone interview with Steve Mendelsohn (Reg. No. 35,951) on 2/12/09.

5.   **The claims are to be amended as follows:**

Claims 3,23, and 42: CANCEL.

Claims 4-20, line 1: delete "invention" and insert in its place - - method - -.

Art Unit: 2614

Claims 23-33,35-40,42, line 1: delete "invention" and insert in its place - -

apparatus - - .

Claims 46-47,52,54,55,57-59, line 1: delete "invention" and insert in its place - -

apparatus - - .

Claim 1 is to be amended to recite :

A method for synthesizing an auditory scene comprising: processing at least one input

channel to generate two or more processed input signals; filtering the at least one input

channel **with a filter or analysis filterbank** to generate two or more diffuse signals;

and combining the two or more diffuse signals with the two or more processed input

signals to generate a plurality of output channels for the auditory scene, , wherein

processing the at least one input channel comprises: converting the at least one input

channel from a time domain into a frequency domain to generate a plurality of

frequency-domain (FD) input signals; delaying the FD input signals to generate a

plurality of delayed FD signals; and scaling the delayed FD signals to generate a

plurality of scaled, delayed FD signals, and **wherein: the FD input signals are**

delayed based on inter-channel time difference (ICTD) data; and the delayed FD

signals are scaled based on inter-channel level difference (ICLD) and inter-

channel correlation (ICC) data.

Claim 21 is to be amended as follows: